

Remarks to the Advisory Committee on Trade Policy and Negotiations *May 10, 1994*

Thank you for being here and thank you for that warm welcome. As all of you know, this is the first meeting of our Advisory Committee on Trade Policy and Negotiations and the Inter-governmental and Policy Advisory Committee.

There are a lot of people in this room with whom I have worked for many years on a wide variety of issues, especially on the economy. I am pleased with where we are going. You may know the blue chip forecast came out today, saying that there is no sign of inflation in the economy this year and next year and predicting a growth rate in the range of 3½ percent this year, which means a continued effort to create jobs and move our economy forward. In the last 15 months or so, our economy has produced about 3 million jobs, most of them in the private sector—which is a real departure, in terms of the percentage of new jobs in the private sector, from the last few years—a million jobs in the first 4 months of this year, over a quarter of a million in April alone. So, I'm encouraged about the direction in which we are going.

The Congress is moving rapidly to adopt the budget that I sent up which, if adopted as it is, will eliminate 100 programs, cut 200 more, still save some new money for education and training, for Head Start, for new technologies, for medical research, but represent the first overall reduction in domestic discretionary spending since 1969. And it will produce the first 3 years of declining deficits since Harry Truman was President, if this budget passes.

So I think we are moving in the right direction. But we all know we have to do more to try to spark global economic growth and to spark growth in our country from global economic affairs. Last year we had NAFTA, we had the APEC meeting, we had an export policy which involved removing any number of items from export controls which had previously been placed on them during the cold war, and we've continued that work into this year.

But the most important thing we can do this year, plainly, if we want to create hundreds of thousands of high-paying jobs in America, is for Congress to ratify the GATT agreement. The Uruguay round cuts tariffs by over a third on manufactured products. Three-quarters of the world's trade growth over the next decade will

come from the developing world, and GATT is expanded to cover things that it formerly has not covered, including intellectual property and services. We have got to adopt the GATT in the Congress this year.

This is about exports and jobs. It's also about our leadership in the world. We broke 7 years of global gridlock last year to get this GATT agreement, and we've proved that we can do things finally around here that haven't been done in the past. It took 7 years to pass the Brady bill, but we did it after 7 years; 7 years for the family and medical leave bill. This crime bill has been hanging around here for 5 years; it's going to be better and stronger than any crime bill we've ever passed, thanks in no small measure to the courage of the House last week in adopting the assault weapons ban. The GATT was around for 7 years. So we're trying, this administration is, to earn a reputation for breaking gridlock at home and around the world. We cannot be the only nation not to ratify the GATT this year.

Now, the problem is our trading partners are just now beginning to understand it's harder for us to do than it is for other countries because we operate under budget rules which require us to replace all the tariffs that we lower and give us no credit for the increased economic activity that will plainly flow and which will generate more tax revenues. The only thing that we can count is the reduced direct spending in agricultural subsidies that will come if we ratify the GATT. So our economic team, Dr. Tyson and Mr. Rubin and Mickey Kantor and the Treasury Department and Mr. Panetta at OMB, they've all been sort of splitting their heads trying to figure out how to get this done this year, because we estimate that over a 5-year period tariffs will be reduced by in the range of \$14 billion. And we have to figure out how to replace that. We are working very hard to do it.

But GATT will only pass if there is an American effort to pass it that is bipartisan, that is reasonable, that is credible, and that is consistent. And so I wanted to come here today to say to you, we need your help. We need all

of your help. We're moving to restore a measure of global growth. We are beginning to get good predictions out of Europe, a lot of people thinking that Europe is beginning to turn around. I am very hopeful—I had a nice conversation with the new Japanese Prime Minister yesterday—I am very hopeful that through our efforts—and we have a good relationship—we will be able to resume our trade talks and continue to make progress there, and they'll be able to get some growth back into their economy.

But we have to continue to set the standard. People know that our economy is functioning at a higher level than many of our trading partners. They expect us to take the lead. And even though this is harder for us than it is for our partners, we've got to try to find a way to do it. I am convinced we can do it, just like we did with NAFTA, if, but only if, there is a

bipartisan effort and if there is a business-government-labor effort and if there is a State, local, and national effort. If it is broad-based, if it is deep, and if it is real, and if it is constant, we can do this.

But I really need your help if we're going to do it. And I hope you will resolve to make sure that we do achieve this so that we can go on to other areas. But it's a good agreement. It's good for America. And it will be a real shame if we walk away from it. Besides that, we need to keep our record of breaking gridlock going. I'm depending on you to help.

Thank you very much.

NOTE: The President spoke at 2:20 p.m. in the Indian Treaty Room of the Old Executive Office Building. In his remarks, he referred to Prime Minister Tsutomu Hata of Japan.

Message to the Congress Transmitting the Report on Aeronautics and Space

May 10, 1994

To the Congress of the United States:

I am pleased to transmit this report on the Nation's achievements in aeronautics and space during fiscal year 1993, as required under section 206 of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2476). Aeronautics and space activities involve 14 contributing departments and agencies of the Federal Government, as this report reflects, and the results of their ongoing research and development affect the Nation as a whole in a variety of ways.

Fiscal year 1993 brought numerous important changes and developments in U.S. aeronautics and space efforts. It included 7 Space Shuttle missions, 14 Government launches of Expendable Launch Vehicles (ELVs), and 4 commercial launches from Government facilities. Highlights of the Shuttle missions included the first in a series of flights of the U.S. Microgravity Payload that contained scientific and materials-processing experiments to be carried out in an environment of reduced gravity; the deployment of the Laser Geodynamic Satellite (a joint venture between the United States and Italy); the deployment of a Tracking and Data Relay Satellite; and,

the second Atmospheric Laboratory for Applications and Science mission to study the composition of the Earth's atmosphere, ozone layer, and elements thought to be the cause of ozone depletion. The ELV missions carried a variety of payloads ranging from Global Positioning System satellites to those with classified missions.

I also requested that a redesign of the Space Station be undertaken to reduce costs while retaining science-user capability and maintaining the program's international commitments. To this end, the new Space Station is based on a modular concept and will be built in stages. However, the new design draws heavily on the previous Space Station Freedom investment by incorporating most of its hardware and systems. Also, ways are being studied to increase the Russian participation in the Space Station.

The United States and Russia signed a Space Cooperation Agreement that called for a Russian cosmonaut to participate in a U.S. Space Shuttle mission and for the Space Shuttle to make at least one rendezvous with the Mir. On September 2, 1993, Vice President Albert Gore, Jr., and Russian Prime Minister Victor Chernomyrdin signed a series of joint statements